used for LTOP. Code Case N–514, ''Low Temperature Overpressure Protection,'' has been approved by the ASME Code Committee. The content of this Code case has been incorporated into Appendix G of Section XI of the ASME Code and Published in the 1993 Addenda to Section XI. The NRC staff is revising 10 CFR 50.55a, which will endorse the 1993 Addenda and Appendix G of Section XI into the regulations.

An exemption from 10 CFR 50.60 is required to use the alternate methodology for calculating the maximum allowable pressure for the LTOP setpoint. By application dated October 3, 1994, as supplemented March 1, 1995, the licensee requested an exemption from 10 CFR 50.60 for this purpose.

In addition to requesting the exemption from 10 CFR 50.50, the licensee proposed an amendment to the Technical Specifications revising the LTOP analysis. The new analysis removes the non-conservatism as described previously.

III

Pursuant to 10 CFR 50.12, the Commission may, upon application by any interested person or upon its own initiative, grant exemptions from the requirements of 10 CFR part 50 when (1) the exemptions are authorized by law, will not present an undue risk to public health or safety, and are consistent with the common defense and security; and (2) when special circumstances are present. Special circumstances are present whenever, according to 10 CFR 50.12(a)(2)(ii), ''Application of the regulation in the particular circumstances would not serve the underlying purpose of the rule or is not necessary to achieve the underlying purpose of the rule * * *''

The underlying purpose of 10 CFR 50.60 Appendix G is to establish fracture toughness requirements for ferritic materials of pressure-retaining components of the reactor coolant pressure boundary to provide adequate margins of safety during any condition of normal operation, including anticipated operational occurrences, to which the pressure boundary may be subjected over its service lifetime. Section IV.A.2 of this appendix requires that the reactor vessel be operated with P/T limits at least as conservative as those obtained by following the methods of analysis and the required margins of safety of Appendix G of the ASME Code.

Appendix G of the ASME Code requires that the P/T limits be calculated: (a) Using a safety factor of 2 on the principal membrane (pressure) stresses, (b) assuming a flaw at the surface with a depth of one-quarter (1/4) of the vessel wall thickness and a length of six (6) times its depth, and (c) using a conservative fracture toughness curve that is based on the lower bound of static, dynamic, and crack arrest fracture toughness tests on material similar to the Vogtle reactor vessel material.

In determining the setpoint for LTOP events, the licensee proposed to use safety margins based on an alternate methodology consistent with the proposed ASME Code Case N–514 guidelines. The ASME Code Case N–514 allows determination of the setpoint for LTOP events such that the maximum pressure in the vessel would not exceed 110% of the P/T limits of the existing ASME Appendix G. This results in a safety factor of 1.8 on the principal membrane stresses. All other factors, including assumed flaw size and fracture toughness, remain the same. Although this methodology would reduce the safety factor on the principal membrane stresses, the proposed criteria will provide adequate margins of safety to the reactor vessel during LTOP transients and will satisfy the underlying purpose of 10 CFR 50.60 for fracture toughness requirements.

Using the licensee's proposed safety factors instead of Appendix G safety factors to calculate the LTOP setpoint will permit a higher LTOP setpoint than would otherwise be required and will provide added margin to prevent normal operating surges from lifting the PORVs or cavitation of the reactor coolant pumps.

IV

For the foregoing reasons, the NRC staff has concluded that the licensee's proposed use of the alternate methodology in determining the acceptable setpoint for LTOP events will not present an undue risk to public health and safety and is consistent with the common defense and security. The NRC staff has determined that there are special circumstances present, as specified in 10 CFR 50.12(a)(2), such that application of 10 CFR 50.60 is not necessary in order to achieve the underlying purpose of this regulation.

Accordingly, the Commission has determined that, pursuant to 10 CFR 50.12(a), this exemption is authorized by law, will not endanger life or property or common defense and security, and is, otherwise, in the public interest. Therefore, the Commission hereby grants the licensee an exemption from the requirements of 10 CFR 50.60 such that in determining the setpoint for LTOP events, the Appendix G curves for P/T limits are not exceeded by more than 10 percent in order to be in compliance with these regulations. This exemption is applicable only to LTOP conditions during normal operation.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this exemption will not result in any significant adverse environmental impact (60 FR 28178).

This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 5th day of June 1995.

For the Nuclear Regulatory Commission.

Steven A. Varga,

Director, Division of Reactor Projects—I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 95–14299 Filed 6–9–95; 8:45 am]

BILLING CODE 7590–01–M

PRESIDENT'S COUNCIL ON SUSTAINABLE DEVELOPMENT

Meeting of the President's Council on Sustainable Development (PCSD) in Washington, DC; Notice

SUMMARY: The President's Council on Sustainable Development, a partnership of industry, government, and environmental, labor, Native American, and civil rights organizations, will convene its ninth meeting in Washington, DC.

The President's Council on Sustainable Development will present for the first time in a public forum its full set of draft goals and policy recommendations for establishing a long-term path toward a sustainable United States by the year 2040. The Council will also present the latest draft of the challenge statement, identifying what types of practices the United States has employed that have taken us down an unsustainable path, the most recent version of the draft vision statement, and defining principles of sustainable development.

Date/Time: Wednesday, 28 June 1995—9:00 a.m.–12:00 p.m.

Place: U.S. Chamber of Commerce, 1615 H Street, NW., Washington, DC.

Status: Open to the Public/Public comments are welcome,

Contact: 202–408–5296.

Molly Harriss Olson,

Executive Director, President's Council on Sustainable Development.

[FR Doc. 95–14311 Filed 6–9–95; 8:45 am]

BILLING CODE 4310–10–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–35804; International Series No. 815; File No. S7–8–90]

Options Price Reporting Authority; Notice of Filing of Amendment to the National Market System Plan To Update the Current Fee Structure and Eliminate the Use of Separate News Service Agreements

June 5, 1995.

Pursuant to Rule 11Aa3–2 under the Securities Exchange Act of 1934 (''Act''),[1] notice is hereby given that on April 25, 1995, the Options Price Reporting Authority (''OPRA'')[2] submitted to the Commission an amendment to its National Market System Plan for the purpose of updating OPRA's fee structure and eliminating the use of separate news service agreements.[3]

The Commission is publishing this notice to solicit comments from interested persons on the amendment.

I. Description and Purpose of the Amendment

OPRA proposes to amend its vendor agreement and the related fee schedule to impose a new redistribution fee on all persons who redistribute options market information, to reflect a reduction in the level of the access charge currently payable by vendors and other persons who receive direct or indirect access to OPRA's Processor, and to eliminate indirect-assess or pass-through vendors and news services as persons subject to the access charge. In addition, OPRA proposes to eliminate the separate news service agreement. Instead, OPRA would categorize news services as vendors and would seek to have such services sign vendor agreements. Conforming changes would be made to the OPRA Plan.

OPRA has made this proposal in response to the growth in the listed options market and the changes in the ways in which options market information is disseminated and used. Among these changes are the increased use of electronic forms of redistribution of market information from vendors and news services directly to individual investors, often on a fifteen minute delayed basis, and the expanded number of value-added intermediaries in the chain of transmission from OPRA's processor to the end users of the information.

OPRA proposes to institute a new redistribution fee. This fee would apply to persons who receive and retransmit delayed market information. The redistribution fee would not apply to historical information.[4] OPRA's redistribution fee proposal is in response to its belief that instead of encouraging vendors to distribute current options information, the current fee structure encourages the redistribution of delayed information.

With the introduction of the new redistribution fee, OPRA proposes to eliminate the vendor and news service pass-through fee, currently charged to vendors and news services that receive options information from another vendor instead of from the OPRA Processor. In addition, in light of the added revenue expected to be realized from redistribution fees payable by vendors of delayed data, the direct access charge is proposed to be reduced from its current level to the point where the direct access charge will be less than the access charge or pass-through fee currently charged. OPRA believes that total revenue from fees charged to vendors and news services will not increase as a result of these proposed changes and, in fact, may slightly decrease during the transition period.[5] The proposed amendment to the vendor agreement also includes some nonsubstantive, editorial changes.

In addition to the fee restructuring proposal, OPRA proposes to eliminate separate news service agreements. Instead, news services would be required to enter into vendor agreements with OPRA. OPRA proposes to eliminate these separate agreements in light of technological changes that it perceives have blurred the distinction between news services and other redistributors of market data, making it no longer useful to treat news services as a separate category of vendor. According to OPRA, only two news services currently are parties to news service agreements, with most redistributors of options information to news media having already entered into vendor agreements in order to be able to redistribute options market data electronically to entities other than news media. OPRA believes that the current news service agreement and the vendor agreement are substantially the same and that the same fees apply to both news services and vendors. The elimination of the separate news service agreement, therefore, will allow news services and other vendors to be subject to the same agreement and the same fees.

II. Implementation of the Plan Amendment

In accordance with OPRA's existing agreements with vendors and news services, amendments to these agreements and to the fees charged thereunder require not less than 30 days advance notice. In order to assure that the required notice has been given to vendors and to provide time during which vendors and news services will be asked to sign new agreements reflecting the new fee structure, OPRA does not intend to implement this amendment until September 1, 1995, subject to Commission approval.

III. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Commenters are asked to address whether they believe the proposed amendment is necessary or appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanisms of a national market system, or otherwise is in furtherance of the purposes of the Act.

Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed Plan amendment that are filed with the Commission and all written communications relating to the proposed Plan amendment between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 522, will be available for inspection and copying in

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[1] 17 CFR 240.11Aa3–2.

[2] OPRA is a National Market System Plan approved by the Securities and Exchange Commission (''Commission'' or ''SEC'') pursuant to Section 11A of the Act and Rule 11Aa3–2, thereunder. Securities Exchange Act Release No. 17638 (March 18, 1981).

The Plan provides for the collection and dissemination of last sale and quotation information on options that are traded on the five member exchanges. The five exchanges which agreed to the OPRA Plan are the American Stock Exchange (''AMEX''), the Chicago Board Options Exchange (''CBOE''), the New York Stock Exchange (''NYSE''), the Pacific Stock Exchange (''PSE''), and the Philadelphia Stock Exchange (''PHLX'').

[3] The proposed amendment was approved by OPRA in accordance with the OPRA Plan at a meeting held on April 11, 1995.

[4] Under the proposal, information becomes ''historical'' upon the opening of trading in the next succeeding trading session of that same market. For example, reports of transactions completed in a trading session on Wednesday become historical reports from and after the opening of trading on the following Thursday.

[5] The transition period reflects the time in which vendors distributing delayed information are identified and brought under contract pursuant to the proposed redistribution fee.

the Commission's Public Reference Room. Copies of the filing also will be available at the offices of OPRA. All submissions should refer to File No. S7–8–90 and should be submitted by July 3, 1995.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[6]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–14254 Filed 6–9–95; 8:45 am]

BILLING CODE 8010–01–M

[Release Nos. 33–7177; 34–35815; IC–21117]

Securities Transactions Settlement

June 6, 1995.

AGENCY: Securites and Exchange Commission.

ACTION: Grant of exemption.

SUMMARY: The Securities and Exchange Commission (''Commission'') is exempting transactions involving certain insurance contracts from the scope of Rule 15c6–1.

EFFECTIVE DATE: The exemption from Rule 15c6–1 for insurance contracts will be effective on June 7, 1995.

FOR FURTHER INFORMATION CONTACT: Jerry Carpenter, Assistant Director, Christine Sibille, Senior Counsel, or Cheryl Oler, Attorney, at 202/942–4187, Office of Securities Processing Regulation, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 5–1, Washington, D.C. 20549.

SUPPLEMENTARY INFORMATION: On October 6, 1993, the Commission adopted Rule 15c6–1 [1] under the Securities Exchange Act of 1934 (''Exchange Act'') which establishes three business days after the trade date (''T+3'') instead of five business days (''T+5'') as the standard settlement time frame for most broker-dealer securities transactions.[2] Rule 15c6–1 becomes effective June 7, 1995.[3]

Rule 15c6–1 covers all securities other than exempted securities, government securities, municipal securities,[4] commercial paper, bankers' acceptances, or commercial bills. The rule contains a specific exemption for sales of unlisted limited partnership interests and alternate settlement time frames for certain firm commitment offerings of new issues.[5]

Certain insurance contracts, including variable annuity contracts and variable life insurance contracts, have been deemed to be securities under the Securities Act of 1933 (''Securities Act''),[6] and other insurance contracts, such as certain fixed dollar annuity contracts that include a market value adjustment provision, may fall within the definition of securities under the Exchange Act (collectively, these contracts are referred to hereinafter as insurance securities products). Accordingly, as adopted, the scope of Rule 15c6–1 includes purchases and sales of such securities issued by an insurance company.[7]

The American Council of Life Insurance (''ACLI'') has requested that the Commission exempt from Rule 15c6–1 purchases or redemption transactions of variable annuity contracts, variable life insurance contracts, and certain fixed dollar annuity contracts.[8] According to ACLI, the complex nature and various unique processing requirements involved in the purchase or sale of insurance securities products cannot practically be condensed into a T+3 settlement cycle.

The Commission recognizes that the mechanics of purchases and redemptions of insurance securities products are distinct from those of other securities and that, because of the time required to complete necessary preparations, such transactions typically require more protracted settlement periods. Specifically, the Commission believes that compliance with the unique requirements of state and federal law, as well as of the particular administrative procedures, applicable to insurance securities products demands additional time beyond the standard settlement process, and supports an exemption of such securities from Rule 15c6–1. For example, the Commission notes that the purchase process for a variable life insurance contract involves the assessment of insurability of the contract purchaser and the acceptance of the mortality risk before a contract can be issued for delivery.[9] Processing of an annuity contract may be protracted by substantial review to determine that any requirements imposed under the Internal Revenue Code (''IRC'') or the Employee Retirement Income Security Act (''ERISA'') are met.

In addition, such insurance securities products are subject to extensive federal and state regulation on timing of certain actions.[10] For example, once processing for a contract is complete, many states require that the insurer provide the purchaser with the right to return the contract for any reason within a specified time of delivery, generally ten days, and to receive a refund of the premium or the contract's cash value without imposition of surrender charges.[11]

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[6] 17 CFR 200.30–3(a)(29).

[1] 17 CFR 240.15c6–1 (1994).

[2] Securities Exchange Act Release No. 33023 (October 6, 1993), 58 FR 52891.

[3] As adopted, Rule 15c6–1 was to become effective June 1, 1995. In order to provide for an efficient conversion the Commission changed the effective date to June 7, 1995. Securities Exchange Act Release No. 34952 (November 9, 1994), 59 FR 59137.

[4] Pursuant to Municipal Securities Rulemaking Board rules, transactions in municipal securities are required to settle by T+3. Securities Exchange Act Release No. 35427 (February 28, 1995), 60 FR 12798.

[5] Securities Exchange Act Release No. 35705 (May 11, 1995), 60 FR 26604.

[6] *Securities and Exchange Commission* v. *Variable Annuity Life Insurance Co. of America, et al.*, 359 U.S. 65, 79 S.Ct. 618, 3 L.Ed.2d 640 (1959) (variable annuity contracts are ''securities'' which must be registered with the Commission under the Securities Act); Securities Act Release No. 5360, Securities Exchange Act Release No. 9972, Investment Co. Act Release No. 7644, Investment Advisors Act Release No. 359 (January 31, 1973) (a public offering of variable life insurance contracts involved an offering of securities required to be registered under the Securities Act).

[7] Within the context of this order, the definition of an insurance company is set forth in Section 2(a)(17) of the Investment Company Act of 1940 (''Investment Company Act''). 15 U.S.C. § 80a–2(a)(17). An insurance company that sells and distributes insurance securities products may be acting as a broker and a dealer as defined in Sections 3(a)(4) and 3(a)(5) of the Exchange Act. There are, however, certain circumstances in which an insurance company that issues and distributes insurance securities may not be required to register with the Commission as a broker-dealer. The Commission staff, for example, has expressed the view that if an insurance company establishes a wholly-owned subsidiary to engage in the offer and sale of insurance securities, and the subsidiary complies with all applicable rules and regulations, including the requirement to direct and supervise all persons engaged directly or indirectly in the offer and sale of securities, it would not recommend enforcement action to the Commission if the insurance company itself did not register with the Commission. Securities Exchange Act Release No. 8389 (August 29, 1968), 33 FR 13005. Consistent with those specifications, the staff of the Division of Market Regulation has further expressed circumstances in which an insurance company may not be required to register as a broker-dealer. *See, e.g., Principal Marketing Services, Inc.* (June 2, 1988); *Pacific Mutual Life Insurance Company* (April 13, 1989); *Allstate Life Insurance Company and Lincoln Benefit Life Company* (September 12, 1988); and *Time Insurance Company* (October 17, 1989).

[8] Letters from Robert S. McConnaughey, Senior Counsel, ACLI, to Brandon Becker, Director, Division of Market Regulation, Commission (April 18, 1995 and May 17, 1995).

[9] This assessment is time consuming because it may involve medical examinations, laboratory tests, and review of medical records.

[10] Insurance companies are regulated primarily by the states in which they are organized and operate. In addition, federal regulations govern some aspects of insurance contract issuance affecting the timing of such transactions. For example, Rule 22c–1(c) under the Investment Company Act requires that an insurer price a variable annuity contract within certain time frames.

[11] *E.g.*, New York Insurance Law § 4240(13) (McKinney 1985).